

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 31.12.2018
 Quarter : 4th Quarter
 Financial Year End : 31.12.2018
 The Figures : Have not been audited

Part A2 : Summary of Key Financial Information for the financial period ended 31/12/2018

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2018	Preceding year quarter 31.12.2017	Current year to date 31.12.2018	Preceding year to date 31.12.2017
	RM'000	RM'000	RM'000	RM'000
1 Revenue	2,673	8,631	25,728	31,489
2 Profit/(Loss) before tax	1,245	1,901	(5,456)	4,693
3 Profit/(Loss) for the period	566	1,019	(6,807)	1,082
4 Profit /(Loss) attributable to ordinary equity holders of the parent	692	257	(5,351)	(1,647)
5 Basic earning / (loss) per shares (sen)	0.10	0.04	(0.81)	(0.25)
6 Proposed /Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the company (RM)		0.2982		0.3063

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 31.12.2018	Preceding year quarter 31.12.2017	Current year to date 31.12.2018	Preceding year to date 31.12.2017
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	0	90	129	121
2 Gross interest expenses	257	165	896	724

ASTRAL ASIA BHD (374600-X)
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2018
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		4th Quarter	4th Quarter	Today	Today
		31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
		RM'000	RM'000	RM'000	RM'000
<u>Continuing Operations</u>					
Revenue		2,673	8,631	25,728	31,489
Cost of sales		(762)	(741)	(17,733)	(13,642)
Gross profit		<u>1,911</u>	<u>7,890</u>	<u>7,995</u>	<u>17,847</u>
Other income		8,806	(812)	10,592	632
Administrative expenses		(3,571)	(4,548)	(16,303)	(12,605)
Other expenses		(5,603)	(427)	(6,808)	(427)
Finance costs		(261)	(172)	(895)	(724)
Share of profit / (loss) in associate		(37)	(30)	(37)	(30)
Profit/(loss) before taxation		<u>1,245</u>	<u>1,901</u>	<u>(5,456)</u>	<u>4,693</u>
Tax income/(expense)	18	(679)	(882)	(1,351)	(3,611)
Profit/(loss) after taxation		<u>566</u>	<u>1,019</u>	<u>(6,807)</u>	<u>1,082</u>
Other Comprehensive income/(loss), net of tax		-	-	-	4,702
Total comprehensive income/(loss) for the period		<u><u>566</u></u>	<u><u>1,019</u></u>	<u><u>(6,807)</u></u>	<u><u>5,784</u></u>
Profit/(loss) attributable to:					
Owners of the parent		692	257	(5,351)	(1,647)
Non-controlling interests		(126)	762	(1,456)	2,729
Profit/(loss) for the period		<u>566</u>	<u>1,019</u>	<u>(6,807)</u>	<u>1,082</u>
Total comprehensive income attributable to:					
Owners of the parent		692	3,390	(5,351)	1,486
Non-controlling interests		(126)	2,331	(1,456)	4,298
Total comprehensive income/(loss) for the period		<u>566</u>	<u>5,721</u>	<u>(6,807)</u>	<u>5,784</u>
Earning Per Share attributable to owners of the parent:					
Earning / (loss) per share (Sen)	26	0.10	0.04	(0.81)	(0.25)

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FORTH QUARTER ENDED 31 DECEMBER 2018****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(UNAUDITED)	(AUDITED)
	CURRENT	(RESTATED)
	QUARTER END	PRECEDING
	31-Dec-18	YEAR END
	RM'000	31-Dec-17
		RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	355,623	360,743
Investment property	18,853	15,850
Investment in associated company	1,244	1,281
	<u>375,720</u>	<u>377,874</u>
Current assets		
Inventories	356	270
Consumable biological assets	677	1,054
Trade receivables	354	2,920
Other receivables	5,900	3,776
Cash and cash equivalents	3,095	8,205
Tax recoverable	-	-
	<u>10,382</u>	<u>16,225</u>
TOTAL ASSETS	<u>386,102</u>	<u>394,099</u>
EQUITY AND LIABILITIES		
Equity Attributable To Owners of the parent		
Share capital	131,997	131,997
Reserves	64,800	70,150
Total equity attributable to owners of the parent	<u>196,797</u>	<u>202,147</u>
Non-controlling Interests	91,393	94,809
TOTAL EQUITY	<u>288,190</u>	<u>296,956</u>
Non-current liabilities		
Borrowings	11,661	12,609
Hire purchase creditors	223	296
Deferred taxation	72,974	72,781
	<u>84,858</u>	<u>85,686</u>
Current liabilities		
Trade payables	1,194	2,010
Other payables	6,186	6,430
Dividend payables	1,050	-
Borrowings	3,473	957
HP creditors	414	545
Amount due to associate company	565	565
Provision for Taxation	172	950
	<u>13,054</u>	<u>11,457</u>
TOTAL LIABILITIES	<u>97,912</u>	<u>97,143</u>
TOTAL EQUITY AND LIABILITIES	<u>386,102</u>	<u>394,099</u>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2018

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent							Non-controlling Interest	Total Equity	
	Non-distributable									
	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Available-for-sales Fair Value Reserve	Other Reserve	Accumulated Profit			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
As at 1 January 2018	131,997			-	-		70,150	202,147	94,809	296,956
Transactions with owners:-										
Dividend paid to non-controlling Interests									(1,959)	(1,959)
Total transactions with owners							-	-	(1,959)	(1,959)
Profit / (loss) for the period							(5,351)	(5,351)	(1,456)	(6,807)
Other Comprehensive income for the period										
Revaluation of leasehold land and buildings and biological assets, net of tax							-	-	-	-
Total Comprehensive income for the period							(5,351)	(5,351)	(1,456)	(6,807)
Balance as at 31 December 2018	131,997			-	-	-	64,799	196,796	91,394	288,190
As at 1 January 2017	131,997			145,087	(84,414)	-	9,701	202,371	95,230	297,601
Transactions with owners:-										
Issuance of bonus shares										
Share issuance expenses										
Dividend paid to non-controlling Interests									(3,150)	(3,150)
Total transactions with owners									(3,150)	(3,150)
Profit / (loss) for the financial year							(1,647)	(1,647)	2,729	1,082
Other Comprehensive income for the financial year										
Revaluation of leasehold land and buildings and biological assets, net of tax									-	-
Total Comprehensive income for the financial year				-			(1,647)	(1,647)	2,729	1,082
Effects on adoption of MFRS				(145,087)	84,414		62,096	1,423	-	1,423
Balance as at 31 December 2017	131,997			-	-	-	70,150	202,147	94,809	296,956

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
FORTH QUARTER ENDED 31 DECEMBER 2018
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	12 MONTHS ENDED 31-Dec-18 RM'000	12 MONTHS ENDED 31-Dec-17 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	(5,456)	4,576
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	4,262	5,350
Interest expense	896	724
Interest income	(129)	(121)
<i>Operating profit before working capital changes</i>	(427)	10,529
<i>Changes in working capital:-</i>		
Net Change In Current Assets / Current Liabilities	1,507	3,778
	1,080	14,307
Tax refund/(paid)	(1,936)	(3,207)
<i>Net cash (Used In)/ generated from operating activities</i>	(856)	11,100
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest received	129	121
Proceeds from disposal of property, plant and equipment	37	-
Purchase of property, plant and equipment	(339)	(339)
Purchase of biological assets	-	(49)
<i>Net cash used in investing activities</i>	(173)	(267)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend Paid to Non-controlling interests	(910)	(4,200)
Repayment of term / flexi loan	(1,567)	(1,011)
Repayment of hire purchase creditors	(708)	(708)
Interest paid	(896)	(724)
<i>Net cash used in financing activities</i>	(4,081)	(6,643)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(5,110)	4,190
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	8,205	4,015
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	3,095	8,205
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	2,587	8,205
Fixed Deposit placed with licensed banks	508	-
	3,095	8,205

5(The Condensed Consolidated Statement of Cash Flows should be read conjunction with the Annual Financial Report for the year ended 31st December 2017)

Notes to the Interim Financial Statement - 31 December 2018

1 Statement of compliance

The interim financial report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements.

2 Accounting policies and basis of preparation

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2017. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2017.

The accounting policies are consistent with the recent audited financial statements for the year ended 31 December 2017 except for the adoption of the new Malaysian Financial Reporting Standards, interpretations and amendments to standards to be applied by all Entities Other Than Private Entities for the financial period beginning on or after 1 January 2018:

- Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards
- MFRS 141: Agriculture
- MFRS 15: Revenue from Contracts with Customers

The Group and the Company have used fair value in its opening MFRS statements of financial position as deemed cost for investment in subsidiaries, the revaluation gains and losses previously recognised are adjusted to Other Reserve.

The Group has adopted MFRS 141 since 1 January 2018. The standard requires a change of accounting policy to capitalisation and amortisation method. Replanting expenditure charged as an expense in prior years are to be retrospectively added back as cost and amortised according to the useful lives of the biological asset. The produce growing on trees will be treated as a consumable biological asset. Agricultural produce harvested from the Group's biological asset shall be measured at fair value less cost to sell as the period of harvest. Gains and losses are recognised in profit or loss for the period in which it arises.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2017 was not qualified.

4 Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors in the current quarter.

5 Unusual items affecting the assets, liabilities, equity, net income, or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group for the current quarter and financial year-to-date.

6 Material changes in estimates

There were no changes in estimates that have had material effect in the current results.

7 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date.

8 Dividend paid

No dividend was paid out during the current quarter under review.

9 Segmental reporting

Segmental information for the Group is presented as follows:

<u>12 months financial period</u> <u>ended 31 December 2018</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Elimination</u>	<u>Consolidated</u>
<u>Segment Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	19,285	6,443	0	0	25,728
Inter-segment revenue			3,640	(3,640)	
Total revenue	<u>19,285</u>	<u>6,443</u>	<u>3,640</u>	<u>(3,640)</u>	<u>25,728</u>
<u>Segment Results</u>					
Operating results	(3,495)	(3,252)	(726)	0	(7,473)
Properties fair value adjustment		2,950			2,950
Share of results of associate company		(37)			(37)
Finance cost	(23)	(873)			(896)
Profit/(loss) before tax	<u>(3,518)</u>	<u>(1,212)</u>	<u>(726)</u>	<u>0</u>	<u>(5,456)</u>
Tax (expense)/income	(643)	(708)			(1,351)
	<u>(4,161)</u>	<u>(1,920)</u>	<u>(726)</u>	<u>0</u>	<u>(6,807)</u>

<u>12 months financial period ended 31 December 2017</u>	<u>Plantation</u>	<u>Construction, Property Development & Property Investment</u>	<u>Investment</u>	<u>Elimination</u>	<u>Consolidated</u>
<u>Segment Revenue</u>	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	29,903	1,586	-		31,489
Inter-segment revenue			5,850	(5,850)	
Total revenue	<u>29,903</u>	<u>1,586</u>	<u>5,850</u>	<u>(5,850)</u>	<u>31,489</u>
 <u>Segment Results</u>					
Operating results	11,380	(5,288)	(645)	0	5,447
Share of results of associate company		(30)	0		(30)
Finance cost	(16)	(708)	0		(724)
Profit/(loss) before tax	<u>11,364</u>	<u>(6,026)</u>	<u>(645)</u>	<u>0</u>	<u>4,693</u>
Tax (expense)/income	(3,567)	(44)			(3,611)
	<u>7,797</u>	<u>(6,070)</u>	<u>(645)</u>	<u>0</u>	<u>1,082</u>

The Group principally operates within Malaysia.

10 Valuation of Property, Plant & Equipment

There were no material changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

11 Material event subsequent to the end of the period not reflected in the current financial period.

There were no material events subsequent to the end of the period that have not been reflected in this quarterly report.

12 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and year-to-date.

13 Contingent liabilities or assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

14 Review of performance

The Group recorded a pre-tax loss of RM 5.4 million on revenue of RM 25.7 million for the year under review compared to pre-tax profit of RM 4.7 million on revenue of RM 31.5 million for the corresponding year in 2017.

The construction, property development and property investment divisions' losses before tax of RM 3.2 million was mainly due to Group's operating overheads costs.

The 35.8 % decrease in the revenue of the plantation sector from RM29.9 million to RM 19.2 million for the year under review was due to the lower Crude Palm Oil ("CPO") prices realised compared to the corresponding year. The average CPO prices realised during the year under review had decreased by 18.5 % to RM 2,248 per M/T (2017: RM 2,761 per M/T). In addition, the Group's total Fresh Fruit Bunches ("FFB") harvested for the year under review had decreased by 6.0 % to 40,871 M/T (2017: 43,491 M/T). The FFB production and yield of the Group's estates were:-

Table of FFB production and yield

Estate	Planted area as at 31.12.2018			FFB production (m/t)		Yield (m/t / ha)	
	Mature (hectares)	Immature (hectares)	Total (hectares)	Year ended	Year ended	Year ended	Year ended
				31.12.2018	31.12.2017	31.12.2018	31.12.2017
Bukit Kuin 1	696	0	696	7,777	5,514	11.2	15.1
Bukit Kuin 2	191	0	191	4,278	4,308	22.4	23.6
Kertau	1,617	0	1,617	15,509	17,929	9.6	11.1
Sungai Pejing	1,143	0	1,143	13,307	15,740	11.6	13.8
	3,647	0	3,647				
Buildings, roads and others			372				
Total area (hectares)			4,019				
Total FFB production (m/t)				40,871	43,491		

15 Comparison with the immediate preceding quarter's results

There was no material change in the loss before tax for the current quarter of RM 1.5 million compared to the immediate preceding quarter's loss before tax of RM 2.4 million.

16 Commentary on prospects

Barring unforeseen circumstances, the Group expects the plantation division to incur further losses in the current financial year due to lower commodities prices in year 2018.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		12 months ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000
Current Taxation	(679)	(882)	(1,351)	(3,611)
Over provision of tax in prior year	-	-	-	-
	(679)	(882)	(1,351)	(3,611)
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
Tax income/(expense)	(679)	(882)	(1,351)	(3,611)

The provision for income tax for the Group is mainly due to the chargeable income from the Plantation Division. The tax charge is higher than the statutory tax rate owing to certain expenses not deductible for tax purpose.

19 Unquoted investments and properties

There were no disposals of unquoted investments or properties during the current quarter.

20 Purchase or disposal of quoted securities

a. Sale proceeds and purchase consideration

There were no disposals and purchase of quoted investment or properties for the current quarter and financial year-to-date.

b. Investment in quoted securities as at end of the reporting period

There were no quoted securities held as at end of the current quarter.

21 Status of uncompleted corporate proposals

There were no uncompleted corporate proposals as at end of the current quarter.

22 Borrowings and debts securities

The Group's borrowings and debts securities were as follows:

	As at	As at
	31.12.2018	31.12.2017
	RM'000	RM'000
Short term bank borrowings	3,473	957
Long term bank borrowings	11,661	12,609
	<u>15,134</u>	<u>13,566</u>

The above bank borrowings are secured by the properties of the subsidiary company and the corporate guarantee of the Company.

23 Off balance sheet financial instruments

During the quarter under review, the Group did not enter into any contracts involving off balance sheet financial instruments.

24 Material Litigation

There were no pending material litigation claims against the Group as at end of this quarter.

25 Dividend Payable

No dividend has been proposed for the financial quarter under review.

26 Earnings per share

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 12 months ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	692	257	(5,351)	(1,647)
Weighted average number of ordinary share in issue ('000)	659,984	659,984	659,984	659,984
Basic earning / (loss) per share (sen)	0.10	0.04	(0.81)	(0.25)

There is no diluted earning per share as the Group has no dilutive potential ordinary share.

27 Additional notes to the Statement of Comprehensive Income

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 12 months ended	
	31.12.2018 RM'000	31.12.2017 RM'000	31.12.2018 RM'000	31.12.2017 RM'000
Profit before tax is arrived at after charging / (crediting):				
Interest Income	0	90	129	121
Interest expense	257	165	896	724
Depreciation and amortization	1609	1275	7062	3821

28 Capital Commitment not provided for in the Financial Statements

Save as disclosed below, as at the date of this quarterly report, the Group did not have any capital commitment as at the end of the current financial quarter under review.

Replanting of oil palm RM852,400 (2017: NIL)
(Approved and contracted for)